



BY EMAIL and RESS

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Nancy Marconi, Registrar

Dear Ms. Long:

Re: EB-2022-0002 – IESO 2022 – SEC Interrogatories

We are counsel to the School Energy Coalition (“SEC”). Attached, please find a copy of SEC’s interrogatories in the above-captioned matter.

Yours very truly,
Shepherd Rubenstein P.C.

Mark Rubenstein

cc: Ted Doherty, SEC (by email)
Applicant and intervenors (by email)

Mark Rubenstein
mark@shepherdrubenstein.com
Dir. 647-483-0113

May 13, 2022
Our File: EB20220002

ONTARIO ENERGY BOARD

IN THE MATTER OF subsection 25 (1) of the *Electricity Act, 1998*;

AND IN THE MATTER OF a submission by the Independent Electricity System Operator to the Ontario Energy Board for the review of its proposed expenditure and revenue requirements for the fiscal year 2022 and the fees it proposes to charge during the fiscal year 2022.

**INTERROGATORIES ON BEHALF
OF THE
SCHOOL ENERGY COALITION**

1.1-SEC-1

Please provide a copy of all budget guidance documents that were issued regarding the budgets that underlie this application.

1.1-SEC-2

Please provide a copy of all documents that were provided to the Board of Directors in approving the underlying budget contained in the Business Plan and this Application.

1.1-SEC-3

Please provide details of all productivity and efficiency measures the IESO undertook in 2021 and plans to undertake in 2022. Please quantify the savings.

1.1-SEC-4

[A-1-3, p.5] The IESO notes that it “continues to work towards the implementation of a multi-year Business Plan and Revenue Requirement Submission approval process in consultation with the Ministry of Energy and the OEB and will make efforts to complete this process in 2022.” Please explain what the implementation issues are that the IESO still needs to work towards, considering that the IESO’s Business Plan, which the Minister approves, is already on a three-year basis.

1.1-SEC-5

[A-2-1, p.2] Please provide a full copy of the 2021 IESO Stakeholder and Community engagement survey results.

1.1-SEC-6

[A-2-2, Attachment 1, p.3] Please provide the full underlying calculations for the Cost Effectiveness – Forecast accuracy, Cost Effectiveness – Resource balance: Energy Curtailments Index target and results, Cost Effectiveness – Resource Balance: Energy Shortage Index, and Market Efficiency – Market cost/revenue transparency index.

1.1-SEC-7

[C-1-1] With respect to the IESO business planning process:

- a. Has the IESO made any changes to its business planning process since its last application? If so, please provide details.
- b. Please provide a more detailed explanation of the divisional planning process, including an illustrative example of the planning process by a division and/or business unit in which its budget is proposed to increase in 2022.

1.1-SEC-8

[D-1-2] Much of the explanation of the various business unit cost increases relate to new, or expanded, initiatives that the IESO is undertaking (e.g. Pathways to Decarbonization, Resource Adequacy). Using one of the referenced initiatives as an illustrative example, please explain how initiative budgets are planned, and approved. Please provide a copy of the project charter, budget, and any similar document that outlines the project scope, and the corresponding project budgets for non-capital initiatives.

1.2-SEC-9

[D-1-3, p.1, Table 1] Please explain the significant increase in 2021, compared to budget, of the percentage of management to non-management employees.

1.2-SEC-10

[D-1-3, p.1, Table 1] On average, how long is the average term of a ‘non-management temporary’ employee?

1.2-SEC-11

[D-1-3, p.2] Please explain why the Applicant believes that its attrition rate doubled in 2021 and why it believes the pre-2021 level is the appropriate assumption for 2022.

1.2-SEC-12

[D-1-3, Attachment 3] Please provide a revised version of Appendix C that breaks down each of public sector and private sector categories into energy and non-energy comparators.

1.3-SEC-13

[E-2-1, p.2] Please provide a table that shows for each capital project that was completed in 2021 or forecast to be completed in 2022, the original budgeted amount for the project, all revised project budgets, and actual or forecast final budget amounts for the project. Please provide an explanation regarding the variances.

1.3-SEC-14

[E-2-1, p.2] Please provide a similar table requested in **1.3-SEC-X** regarding any project in which capital expenditures are forecast to be spent in 2022, but which the project is not expected to be completed in the year.

3.1-SEC-15

[C-3-1, p.1] With respect to the proposed Reliability Integration Fee:

- a. For each of the last 3 years, how many new or modified facilities require reliability integration activities? Does the Applicant expect that over time, the number of projects will increase?

- b. How much has the Applicant collected in fees related to connection assessments for each of the last 3 years?
- c. Once fully implemented, please provide the Applicant's best estimate of the amount of revenue expected to achieve on an annual basis.
- d. The IESO states that the "[i]mplementation of this change is expected to be phased-in during late 2022 or early 2023 following OEB approval of the fee and the required updates to the Market Manuals." Please explain the specific approval that the IESO is seeking for the Reliability Integration Fee that would allow it to phase in the fee or delay implementation as proposed, as opposed to being required to apply the fee when any approval of the Applicant is made effective.

4.1-SEC-16

[G-2-2] With respect to the Market Renewal Program ("MRP"):

- a. [p.2] The IESO states that it will not be seeking a formal recommendation from the Technical Panel on MRP Market Rules until all have been completed by stakeholders. Please provide the forecast schedule for review of each batch, and when a formal recommendation from the Technical Panel will be sought.
- b. [p.7] Please confirm, based on the 2021 CPI and SPI scores, if the MRP is behind schedule and overbudget. Please provide an explanation for why this is occurring.
- c. Please provide the most recent reporting of MRP made to the IESO: i) executive leadership, ii) Board of Directors.
- d. Please provide a copy of the most recent: i) Monthly Cost Report, ii) Monthly Schedule Report, and iii) Monthly Risk Report.
- e. Please detail all material changes since EB-2020-0230 regarding MRP, i) design/scope, ii) cost, and iii) schedule. Please also provide all material provided to the IESO Board of Directors and/or senior management for their decision to approve the change.

5.1-SEC-17

[G-1-1, p.3] With respect to IESO's response to previous OEB decisions, please explain why the updated IESO Grid Innovation Fund, Conservation Fund and Technology Development Fund Project Portfolio spreadsheet, only included projects up until 2019.

5.1-SEC-18

[G-1-1, Attach 3, p.5] Please provide a full copy of the Project Management internal audit.

5.1-SEC-19

[G-1-1, Attachment 5] Please provide a copy of the underlying cost allocation model spreadsheet.

Respectfully, submitted on behalf of the School Energy Coalition, this May 13, 2022.

Mark Rubenstein
Counsel for the School Energy Coalition